DOD Counterfeit Parts: The ISO 55000 Asset Management System Opportunity

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Asset Leadership Network (ALN)

- The Asset Leadership Network is a trade association promoting the benefits of asset management in the US and across North America
- Jim Dieter of Turner & Townsend AMCL
  - Executive Director of the ALN
  - ANSI/US Head of Delegation to ISO PC/251 for the development of ISO 55000
  - 30 years experience as an asset manager for government contractors and private industry, and as an asset management consultant for numerous Federal agencies

Recommendation

- DOD should adopt ISO 55000 Asset Management System to meet the remaining counterfeit parts challenges and requirements
- Adoption of ISO 55000 would provide assurance that this problem is addressed effectively going forward
- Adoption of ISO 55000 would provide assurance that other current and future issues, risks, and opportunities would be identified and addressed without the need for additional legislation, regulation, and isolated, point solutions

ISO 55000 Development Background

- ISO 55000 Asset Management System was published in January 2014
- It represents the best thinking on asset management from around the world
- US delegation had substantial impact on the documents
  - Broad US cross sector involvement
  - Significant Federal involvement

Core Concepts

- **Asset** is an item, thing or entity that has potential or actual value to an organization
- **Management system** – Set of interrelated or interacting elements of an organization to establish policies and objectives, and processes to achieve those objectives
- **Assets** and **asset management** are linked to the organizational strategic plan and support the mission and objectives of the organization

ISO 55000 Series Structure

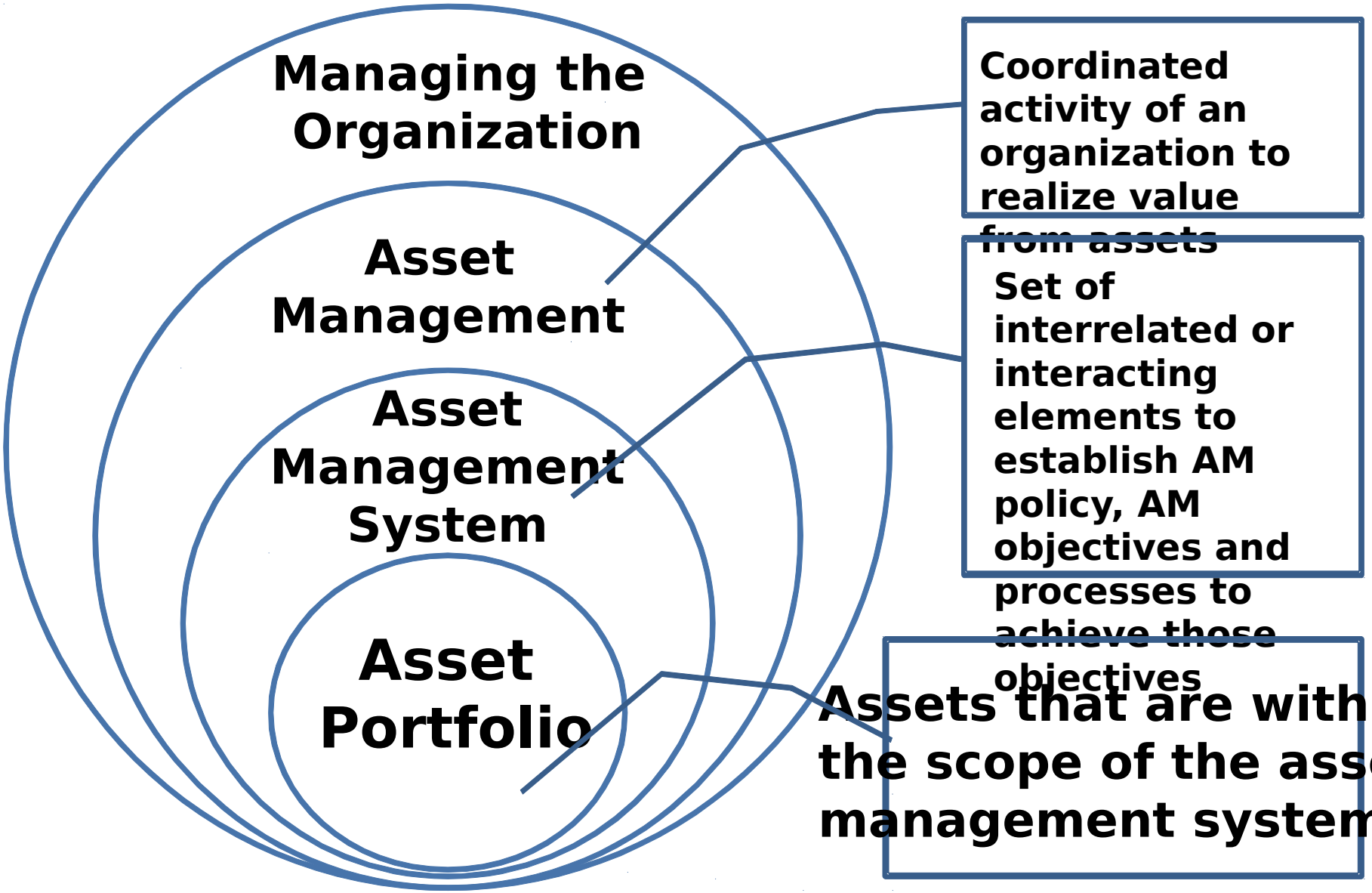
- ISO 55000: Asset Management - **Overview**, Principles and Terminology
- ISO 55001: Asset Management – Management Systems - **Requirements**
- ISO 55002: Asset management — Management systems — **Guidelines** for the application of ISO 55001

Benefits of Asset Management

- improved financial performance
- informed asset investment decisions
- **managed risk**
- improved services and outputs
- demonstrated social responsibility
- **demonstrated compliance**
- enhanced reputation
- improved organizational sustainability
- improved efficiency and effectiveness

Asset Management Fundamentals

- **Value**
- **Alignment**
- **Leadership**
- **Assurance**


Managing the Organization
Asset Management
Asset Management System
Asset Portfolio
Coordinated activity of an organization to realize value from assets
Set of interrelated or interacting elements to establish AM policy, AM objectives and processes to achieve those objectives
Assets that are withi
the scope of the asse
management system

Asset Management System

- **The Organization**
- **Leadership**
- **Plans**
- **Support**
- **Operation**
- **Performance Evaluation**
- **Improvement**

The ISO 55000 Opportunity

- At a strategic and structural level, ISO 55000 **addresses** remaining **counterfeit parts legislative guidance**
- **OMB A-119** compliance
- ISO 55000 provides an improved path forward that addresses **root causes** and that **identifies and manages both risk and opportunity**

Thank You

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